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Chair: Mr. Gafoor (Singapore)

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The meeting was called to order at 10.10 a.m.

Agenda item 79: Report of the United Nations Commission on International Trade Law on the work of its fiftieth session (A/72/17)

1. **Mr. Martonyi** (Chair of the United Nations Commission on International Trade Law (UNCITRAL)), introducing the Commission's report on the work of its fiftieth session (A/72/17) and noting that a more detailed statement would be made available on the PaperSmart portal, said that the Commission had finalized and adopted two legislative texts in the key commercial areas of electronic commerce and secured transactions. It had also heard progress reports from the working groups, considered planned and possible future work and deliberated on the technical assistance and coordination activities carried out by its secretariat. It had also held a three-day Congress from 4 to 6 July 2017 to commemorate the 50 years of work by the Commission in the field of international trade law.

2. The Commission had decided to undertake work on the UNCITRAL Model Law on Electronic Transferable Records, recognizing that the use of electronic transferable records — the electronic versions of bills of lading, promissory notes, bills of exchange and warehouse receipts — could bring a number of benefits to commerce due to the speed and security of transmission and the possibility of re-using data and of automating certain transactions through smart contracts. Such features might be of special interest to the finance and transport sectors. Particularly relevant for developing countries was the possibility of establishing a market for electronic warehouse receipts, which in turn could facilitate farmers' access to credit.

3. Building on existing UNCITRAL texts on electronic commerce and on the principles of functional equivalence and technology neutrality, the Model Law aimed at making it legally possible to dematerialize transferable documents and instruments. It did so by setting forth the requirements for establishing equivalence between paper-based transferable documents and instruments, on the one hand, and electronic transferable records, on the other. For example, the Model Law allowed the notion of "possession" to be transposed into an electronic environment. It also provided guidance on assessing the reliability of the method used to manage the electronic transferable record, on change of medium (from electronic to paper and vice versa) and on cross-border issues. Being technology neutral, the Model Law accommodated the use of emerging technologies such as the distributed ledger or blockchain technologies. It was accompanied by explanatory notes to assist States in enacting its provisions and to offer guidance to other potential users.

4. Work on the preparation of the Model Law and the explanatory notes had been undertaken by UNCITRAL Working Group IV (Electronic Commerce); the final version would soon be made available on the UNCITRAL website.

5. In 2016, the Commission had adopted the UNCITRAL Model Law on Secured Transactions, providing a transparent, comprehensive and rational legislative framework for secured financing of movable assets. The Model Law was expected to have a beneficial impact on the availability and cost of credit, in particular for small and medium-sized enterprises in developing countries.

6. At the latest session, the Commission had adopted the Guide to Enactment of the UNCITRAL Model Law on Secured Transactions. As the Model Law left a number of matters to the discretion of each enacting State, the Guide provided useful assistance to legislators in that respect. It contained a general introduction to, and a brief explanation of, each provision of the Model Law and illustrated how the provisions of the Model Law interrelated with other UNCITRAL texts on secured transactions (for example, the United Nations Convention on the Assignment of Receivables in International Trade and the UNCITRAL Legislative Guide on Secured Transactions).

7. Work on the preparation of the Guide to Enactment had been undertaken by UNCITRAL Working Group VI (Security Interests), and the final version would soon be made available on the UNCITRAL website.

8. A key objective of the three-day Congress in July, entitled " Modernizing International Trade Law to Support Innovation and Sustainable Development" had been to examine how trade law reform based on the Commission's modern, fair and harmonized texts could contribute to the 2030 Agenda for Sustainable Development. More than 400 participants had attended the Congress, which had been opened by the Legal Counsel of the United Nations. The Commission's achievements had allowed developing countries to benefit from the significant economic and social advantages of international trade, to harness technological innovation and to build sound institutions. The highly positive contribution of UNCITRAL to strengthening the rule of law in commercial activity had been a recurring theme.

together with the comparative advantage of UNCITRAL in the process of law reform in terms of its multilingualism and inclusiveness.

9. The topics at the Congress had included more traditional subject areas, such as dispute settlement, insolvency, secured transactions, and procurement and infrastructure development, as well as emerging areas, such as digital contracts, blockchain technology, integrated transport and trade facilitation. The need for UNCITRAL to consider small and medium-sized enterprises had been constantly emphasized.

10. Recognizing the need for activities to support the effective implementation and use of UNCITRAL texts and the contributions of such activities to identifying issues for future legislative development, the Congress had concluded that mechanisms to disseminate and preserve the work of UNCITRAL should be strengthened.

11. The Commission was updated annually on progress made by its working groups and on their planned and possible future work. Working Group I (Micro, Small and Medium-sized Enterprises (MSMEs)) had made progress in its work aimed at reducing the legal obstacles encountered by such businesses throughout their life cycle. The Working Group had focused on measures to facilitate the establishment of such businesses and to support their viability. Those efforts had crystallized into two distinct legislative projects currently being undertaken by the Working Group. One was the preparation of a legislative guide to assist States in crafting appropriate legislation for the swift and inexpensive creation of legally recognized simplified businesses. The other, which was nearing completion and might be considered for adoption by the Commission in 2018, was a legislative guide that analysed and provided specific legislative recommendations on best practices in the establishment and operation of business registries to support the sustainability of businesses.

12. Since 2015, Working Group II (Dispute Settlement) had been preparing an instrument to deal with enforcement of international commercial settlement agreements resulting from conciliation. The Commission had noted the progress made by the Working Group, in particular the compromise reached at its sixty-sixth session regarding five key aspects, relating to (i) the legal effect of settlement agreements, (ii) the treatment of settlement agreements concluded in the course of judicial or arbitral proceeding, (iii) possible opt-in declarations by the parties, (iv) the impact of the conciliation process and of the conduct of conciliators on the enforcement procedure and (v) the form of the instrument to be prepared. The Commission had expressed support for that compromise and had requested the Working Group to complete the work expeditiously.

13. The Commission had reaffirmed the mandate given in 2016 to Working Group IV (Electronic Commerce) to conduct in parallel preparatory work on two topics, which were quite different in scope and content. One related to legal aspects of identity management and trust services, and the other to contractual issues concerning cloud computing. The Working Group had already begun its preparation of a checklist of contractual issues of cloud computing by identifying the content and structure of that checklist. Work on identity management and trust services would require further brainstorming to crystallize the issues to be addressed.

14. Working Group V (Insolvency Law) continued to make progress with its work on, firstly, a model law on the recognition and enforcement of insolvency-related judgments; secondly, legislative provisions on facilitating the cross-border insolvency of multinational enterprise groups; and thirdly, a legislative guide on the obligations of directors of enterprise group companies in the period approaching insolvency. The model law on insolvency-related judgments was nearing completion, and a draft text, together with a guide to enactment, was likely to be submitted for consideration by the Commission in 2018. The second and third texts, which were closely related, would be discussed during the December 2017 session and might also be ready for finalization by the Commission in 2018. Once those texts had been finalized, the Working Group would consider the treatment of micro, small and medium-sized enterprises in insolvency, a topic on which preliminary work had already begun.

15. The Commission had decided to give Working Group III a mandate to work on a possible reform of investor-State dispute settlement. The Working Group would identify concerns regarding such settlement and consider whether reform was desirable; if so, it would develop solutions that would be recommended to the Commission. In giving that mandate, the Commission had agreed that broad discretion should be left to the Working Group and that any recommended solutions should be designed taking into account the ongoing work of relevant international organizations and should allow each State the choice of whether and to what extent it wished to adopt those solutions.

16. In line with the UNCITRAL process, Working Group III was expected to ensure that its deliberations would benefit from the widest possible breadth of

available expertise from all stakeholders and high-level input from all Governments. The need for the process to be consensus-based and fully transparent had also been emphasized. The first session on the topic of investor-State dispute settlement was scheduled for late November in Vienna.

17. Upon finalization of the Guide to Enactment of the UNCITRAL Model Law on Secured Transactions, the Commission had discussed possible future work on security interests. Following deliberations based on conclusions reached at the Fourth International Colloquium on Secured Transactions, held in Vienna in March 2017, the Commission had mandated Working Group VI to prepare a practice guide for potential users of the Model Law with respect to contractual, transactional and regulatory issues relating to secured transactions, as well as financing of micro-businesses.

18. The Commission had also recognized the importance of public procurement and infrastructure development in the context of sustainable development. With regard to public-private partnerships, the secretariat had been asked to continue the process of updating, where necessary, all or part of the UNCITRAL Legislative Guide on Privately Financed Infrastructure Projects, involving experts. As to the monitoring of developments in sanction procedures, often referred to as suspension and debarment in public procurement, the Commission had decided that the matter should no longer be included on its agenda, pending further convergence of systems in practice.

19. The Commission had also heard a report on the operation of the UNCITRAL Transparency Registry, a key element of the UNCITRAL Rules on Transparency and the Mauritius Convention on Transparency. Thanks to the contributions received in 2016 from the European Commission and the OPEC Fund for International Development (OFID), the Registry was fully operational, with the secretariat having hired a legal officer responsible for its administration. In December 2016, the European Commission had made a further commitment in the amount of €300,000, which would allow for the operation of the Registry until the end of 2020.

20. UNCITRAL had reiterated its strong and unanimous opinion that the secretariat should operate the transparency repository. Accordingly, the Commission had recommended to the General Assembly that it should request the secretariat to continue operating the repository, in accordance with article 8 of the Transparency Rules, as a pilot project until the end of 2020, to be funded entirely by voluntary contributions.

21. The Commission had been keenly aware that the development of its legislative texts was only the first step in the process of trade law harmonization. Dissemination of information and the conduct of promotion activities, as well as technical cooperation and assistance projects, were vital to the further use, adoption and interpretation of UNCITRAL texts. In that respect, the Commission had commended the secretariat's efforts to provide information, to actively support domestic law reform through drafting assistance and to share practical experience in the enactment of UNCITRAL texts, as well as advice on interpretation and implementation of those texts. The UNCITRAL website and the UNCITRAL Law Library played a central role in the dissemination of information, and the Commission had encouraged the secretariat to continue to explore the development of new social media features on the UNCITRAL website.

22. The ability of the secretariat to respond to requests from States and regional organizations depended, however, on the availability of funds to meet associated costs, mainly in the form of voluntary contributions to the UNCITRAL Trust Fund for Symposia. Despite some highly appreciated contributions, such as the one by the Republic of Korea to support participation in the Asia-Pacific Economic Cooperation (APEC) Ease of Doing Business project, those funds remained insufficient to meet the requests.

23. The Commission had therefore welcomed steps taken by the secretariat to explore alternative sources of extrabudgetary funding, in particular by extensively engaging permanent missions and other possible partners in the public and private sectors and by seeking cooperation and partnership with international organizations and bilateral assistance agencies in the provision of technical assistance. The Commission had also reiterated its appeal to all States, international organizations and other interested entities to consider making contributions to the Trust Fund, if possible in the form of multi-year contributions or as specific-purpose contributions, to facilitate planning and enable the secretariat to meet the increasing number of requests for technical cooperation and assistance activities.

24. The UNCITRAL Regional Centre for Asia and the Pacific, based in Incheon, Republic of Korea, had continued to provide capacity-building and technical assistance to States as well as international and regional organizations. The Centre had enhanced international trade and development by promoting certainty in international commercial transactions through the dissemination of international trade norms and standards, in particular those elaborated by

UNCITRAL, which had been increasingly acceded to, ratified and enacted in the Asia Pacific region.

25. The Regional Centre had achieved that result by building and actively participating in regionally-based international trade law partnerships and alliances, including with other appropriate United Nations funds, programmes and specialized agencies. Noteworthy was its participation, as a non-resident agency, in the effort of the United Nations to deliver as one in the Lao People's Democratic Republic-United Nations Partnership Framework 2017–2021 and in the United Nations Development Assistance Framework (UNDAF) Papua New Guinea 2018–2022.

26. The positive experience with the Regional Centre for Asia and the Pacific was having spill-over effects in other parts of the world. At its 2017 session, the Commission had been advised that Cameroon had offered to host an UNCITRAL African regional centre and that Bahrain had been actively pursuing the establishment of an UNCITRAL regional centre for the Middle East and North Africa in the Kingdom. The establishment and operation of the regional centres would depend entirely on extrabudgetary resources provided by leading stakeholders, in cooperation with interested government authorities. Both were currently being envisaged as pilot projects following the example of the UNCITRAL Regional Centre for Asia and the Pacific.

27. The Commission had approved the establishment of the centres, subject to the relevant United Nations rules and regulations as well as the necessary internal approval process. The secretariat had been requested to take the necessary steps to carry out that decision and to keep the Commission informed of developments, including its funding and budgetary situations. He expected the General Assembly to express its strong support for such decisive steps being taken towards increasing the outreach of UNCITRAL.

28. In response to the General Assembly's invitation, the Commission had been transmitting comments on its role in promoting the rule of law at the national and international levels. In 2017, its comments had focused on ways and means of further disseminating international commercial law to strengthen the rule of law, in accordance with the subtopic identified for the Sixth Committee debate under the relevant agenda item. The Commission had referred to its traditional and innovative dissemination activities and their importance in that regard.

29. UNCITRAL had identified new dissemination challenges, in particular the increased use of information and technology tools aimed at assisting States with commercial law reform that did not necessarily reflect internationally accepted commercial law standards. It had emphasized the need for better integration of the Commission's work into the broader agenda of the United Nations. In that context, it had recalled the endorsement, at its previous session, of the Guidance Note on Strengthening United Nations Support to States, Upon Their Request, to Implement Sound Commercial Law Reforms and the request by the General Assembly to the Secretary-General, made upon recommendation of the Sixth Committee, to circulate the Guidance Note broadly to all intended users. The Commission had encouraged the secretariat to bring the Guidance Note to the attention of legal advisers across the United Nations system.

30. The Commission's relatively small secretariat produced a large volume of high-quality work. However, the member States were the true "shareholders" of UNCITRAL and had a direct interest in maximizing the return on their investment in the modernization and harmonization of international law. He therefore sought their continued participation in and support for UNCITRAL and its activities. The ever-increasing importance of international trade and the accelerating pace of economic globalization required the Commission to continue to expand its work, which ultimately benefited all States.

31. **Mr. Jaime Calderón** (El Salvador), speaking on behalf of the Community of Latin American and Caribbean States (CELAC), said that the current structure, composition and inclusive working methods of UNCITRAL ensured the harmonization, unification and progressive development of international trade law, respect for the principle of the sovereign equality of States and worldwide acceptance of the texts issued by the Commission.

32. CELAC welcomed the approval of the Model Law on Electronic Transferable Records and its explanatory notes, and of the Guide to Enactment of the UNCITRAL Model Law on Secured Transactions. The Commission's decision to recommend the use of the Uniform Rules for Forfaiting would contribute to the establishment of a modern legal framework, especially for the countries of Latin America and the Caribbean. CELAC also welcomed the Commission's decision to entrust Working Group III with the study of the reform of the investor-State dispute settlement system.

33. The challenges regarding the codification of international trade law were increasing, and the volume and the characteristics of commerce at the global level were undergoing constant change, owing to incessant

technological development and the diversification of commercial activities. The Commission's codification work must keep pace with such change.

34. CELAC strongly supported the work of UNCITRAL and appreciated the efforts of its members to achieve the objectives it had set. The States members of CELAC participated actively in working groups and plenary meetings of the Commission, as members or observers. Since such participation entailed significant effort, they once again stressed that the current system whereby meetings were held alternately in Vienna and New York should be maintained, since it provided a valid alternative for delegations without diplomatic representation in Austria. Although CELAC recognized the Organization's budget constraints, efforts to facilitate broad participation by member States would help to ensure rich debates and substantive outcomes.

35. Bearing in mind the 2030 Agenda for Sustainable Development, especially the targets relating to Goal 16, CELAC reiterated its commitment to supporting the work of UNCITRAL.

36. **Ms. Mezdrea** (Observer for the European Union), speaking also on behalf of the candidate countries Albania, Serbia, the former Yugoslav Republic of Macedonia and Turkey; and, in addition, the Republic of Moldova and Ukraine, said that traditional investor-State dispute settlement presented a number of challenges and should be reformed; many countries were already taking action to do so. A multilateral approach appeared best suited to addressing all the issues at stake.

37. It was encouraging that UNCITRAL had agreed, as a first step, to start work on identifying underlying issues and concerns in order to provide the rationale for any proposed reforms and to proceed with the development of possible solutions. Considering the significant advantages that UNCITRAL presented in terms of transparency, openness and accessibility, the European Union and its member States called on all countries, international organizations and observers to participate actively in the discussions and hoped that a satisfactory outcome could be reached in reasonably good time.

38. **Ms. Kalb** (Austria) said her delegation commended the Commission for its achievements so far in a variety of areas of international trade law, including its work on conventions, model laws, legislative guides and other texts. UNCITRAL had succeeded in harmonizing and modernizing the legal framework for the facilitation of international trade and investment in an increasingly interdependent world.

39. Importantly, in 2017 the Commission had entrusted Working Group III with a broad mandate to work on the possible reform of investor-State dispute settlement. As a member of the European Union, Austria supported that process in the framework of UNCITRAL, which had repeatedly proved to be a transparent, open, multilateral forum for addressing challenges and concerns in a consensual manner.

40. Strengthening the rule of law through the efforts of UNCITRAL and its secretariat was essential for achieving the Sustainable Development Goals. Austria was a firm advocate of the Commission's work on technical cooperation and assistance in the field of international trade law reform and development. It recognized the need to strengthen support for States, upon their request, in the fulfilment of their respective international obligations through enhanced technical assistance and capacity-building. It welcomed the Secretary-General's efforts to ensure greater coordination and coherence between United Nations entities and donors and recipients.

41. Austria was pleased to again serve as coordinator for the UNCITRAL resolutions in the Sixth Committee. The previous week, the draft resolutions had been circulated to Member States and uploaded on the e-deleGATE portal. Delegations wishing to co-sponsor the UNCITRAL omnibus resolution would have the opportunity to sign the list at the Austrian desk or use the e-deleGATE portal.

42. Austria attached the highest importance to the work of UNCITRAL, and it would continue to support the Commission and its Vienna-based secretariat. Austria made regular contributions to the Trust Fund for travel assistance to developing countries.

43. **Mr. Bailen** (Philippines) said that his Government was in favour of a fair, stable and predictable legal framework propitious to inclusive, sustainable and equitable development, economic growth and employment. It therefore welcomed the role played by UNCITRAL in promoting the rule of law through multilateral treaties in the areas of international trade, financing and investments. Through its guides, model laws and other instruments and its work on the harmonization and modernization of trade law, UNCITRAL could assist countries in developing a rule-based environment in which commercial activities could flourish.

44. The Philippines was giving close attention to the development of standards on transparency, including the UNCITRAL Rules on Transparency in Treaty-based Investor-State Arbitration and the United Nations Convention on Transparency in Treaty-based

Investor-State Arbitration. It welcomed the decision to entrust Working Group III with a broad mandate to work on the possible reform of investor-State dispute settlement. Despite the diversity of views offered, the mandate had been decided by consensus.

45. The Philippines welcomed the progress made by Working Group I in respect of the creation of a simplified business entity and the key principles of business registration. It looked forward to the completion of the draft legislative guide on key principles of a business registry, for possible adoption at the fifty-first session.

46. His delegation looked forward to the publication of the Model Law on Secured Transactions, together with the Guide to Enactment, on which Working Group VI had completed its work.

47. The Philippines supported the mandate given by the Commission to Working Group IV to begin consideration of the topics of identity management and trust services, as well as cloud computing, after the completion of the work on the draft model law on electronic transferable records. It looked forward to updates in the Working Group's report in future sessions on the preparatory work on those two topics, including with respect to their feasibility.

48. His delegation was particularly pleased about the initiatives undertaken by the UNCITRAL Regional Centre for Asia and the Pacific to strengthen information, knowledge and statistics through briefings, workshops, seminars, publications, social media, and information and communications technologies, including in regional languages.

49. **Ms. Fong** (Singapore) said that the UNCITRAL Model Law on Electronic Transferable Records would remove uncertainty in many jurisdictions. The substantive law that governed the underlying rights and obligations of such records generally predated the digital world, and the current established procedures for their transfer were all paper based. The Model Law would significantly assist States in enhancing their legislation and bring with it considerable benefits in convenience, certainty, security and costs.

50. She commended the Commission and Working Group IV for the practical approach taken in the Model Law, which worked with and did not affect existing legislation governing such documents and instruments. That would make it easier for States to adopt it. There would be clear benefits to commercial parties without having to review or create any new substantive law on negotiable instruments.

51. Working Group II and Working Group V had made good progress. Her delegation would continue to participate actively in their work. It also looked forward to the discussion in Working Group III on the issues arising out of the current investor-State dispute settlement framework.

52. Some of the suggestions made at the fiftieth session of UNCITRAL would need to be carefully examined to determine whether they were within the Commission's mandate or whether they could be better undertaken by some other body within or outside the United Nations system. The increasing complexity of work and the growing demands on the resources of UNCITRAL and its member States meant that it was becoming critically important for the Commission to prioritize its work. In her delegation's view, priority should be given to the formulation of legislative texts that would promote international harmonization, rather than non-legislative texts that addressed legal issues which might be interesting, but which did not by themselves lead to the harmonization of the law in that subject area.

53. Some of the six working groups had been working continuously on different aspects of the same subject matter for many decades. That had narrowed the opportunities for other topics to find a place on the Commission's agenda. It was therefore important, particularly given the demands on limited resources, for UNCITRAL to constantly scan the horizon to determine new areas of law requiring harmonization.

54. Singapore valued the work of the UNCITRAL Regional Centre for Asia and the Pacific and expressed its continued readiness to support the work of UNCITRAL and its secretariat.

55. **Mr. Horna** (Peru) said that his delegation appreciated the efforts made by UNCITRAL to modernize and harmonize international trade law. Peru stressed its commitment to the elaboration of future initiatives in that regard.

56. In a speech to his country's Congress in July, the President of Peru had emphasized the importance of micro, small and medium-sized enterprises and had highlighted an action plan for access to loans, State purchases and lower taxes to stimulate growth and development. His delegation was therefore interested in the work of Working Group I and welcomed the efforts to reduce legal obstacles to the creation of such businesses. Peru had similar objectives and had adopted regulatory norms establishing a more favourable fiscal framework for those enterprises.

57. Peru appreciated the progress made by Working Group II and would follow closely the future elaboration of a legislative instrument to address the enforcement of international settlement agreements resulting from conciliation proceedings. Moreover, given the continuous growth of private investment in telecommunications, mining and energy in Peru, his Government was following developments in the work of Working Group III with considerable interest.

58. In a globalized world in which electronic commerce was constantly growing, the work of Working Group IV was of particular relevance. As for the adoption of the Model Law on Electronic Commerce, Peru reiterated its readiness to share its experience, including with regard to the introduction, by its National Civil Status Identification Registry, of digital identity and electronic data transfer.

59. His delegation welcomed the adoption of the Model Law on Secured Transactions and would follow with interest the possible development of a guide to practice, which might be useful for future national legislation.

60. Peru reaffirmed its commitment to promoting the rule of law within the framework of the Sustainable Development Goals. Goal 16 and a number of targets were of particular relevance for the work of UNCITRAL.

61. **Mr. Umasankar** (India) welcomed the finalization and adoption of the Guide to Enactment of the Model Law on Secured Transactions, which would increase the availability of secured credit across national borders and contribute to the development of international trade, if achieved on the basis of equality and mutual benefit for all States. Likewise, the Model Law on Electronic Transferable Records and its explanatory notes would help to develop systems to enable progress in the field of paperless trade, including the legal aspects of electronic single-window facilities. India also appreciated the efforts of the Commission and its secretariat in fulfilling the role of the transparency repository.

62. His delegation welcomed the outcome of the deliberations and the general support for a proposed reform to investor-State dispute settlement, which might go a long way towards enhancing consistency in treaty interpretation and application; however, UNCITRAL should not rush to hasty conclusions.

63. India appreciated the Commission's efforts to promote the uniform interpretation and application of its legal instruments, including the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, and agreed that the Case Law of UNCITRAL Texts (CLOUT) and the digests were pivotal tools in that regard.

64. India reiterated the importance of technical cooperation and assistance to developing countries, specifically in matters relating to the adoption and use at the national level of texts adopted by the Commission. It encouraged the secretariat to continue to provide such assistance as broadly as possible and to improve its outreach, in particular to the developing countries.

65. His delegation looked forward with keen interest to the proposal of the Governments of Australia, Canada, Japan and the United Kingdom for the preparation by the Commission of a practice guide to the UNCITRAL Model Law on Secured Transactions.

66. **Mr. Sawada** (Japan) said that Japan understood the importance of reducing legal obstacles faced by micro, small and medium-sized enterprises throughout their life cycle, particularly in developing economies. Working Group II (Dispute Settlement) was tackling challenging topics relating to the enforceability of settlement agreements; his delegation hoped it would continue to examine those topics, particularly the need for coordination with existing legislation in individual States, and it looked forward to the completion of the project and to the adoption of the instrument during the next session of the Commission.

67. His delegation hoped that Working Group III (Investor-State Dispute Settlement Reform) would strictly follow the work sequence stipulated in the mandate without prejudice to the final outcome of the process. The work of UNCITRAL should be based not on perceptions or impressions about such reform but on facts relating to the current investment arbitration system.

68. Japan congratulated UNCITRAL on its finalization and adoption of the Model Law on Electronic Transferable Records, which it hoped would promote legislation on electronic commerce as well as past UNCITRAL e-commerce texts. Working Group IV should continue to pay due attention to technological neutrality. In addition, Japan would continue to support Working Group V (Insolvency Law) and looked forward to further progress in that area in the future.

69. Japan commended UNCITRAL on its finalization and adoption of the Guide to Enactment of the Model Law on Secured Transactions and looked forward to the commencement of consideration by Working Group VI (Security Interests) of the practice guide to promote the applicability of the Model Law.

70. **Mr. Musikhin** (Russian Federation) said that the Russian Federation highly valued the contribution of UNCITRAL to international economic cooperation and private law. It was a party to a number of international agreements elaborated within the Commission. Texts prepared by UNCITRAL served to enhance Russian legislation.

71. His delegation was confident that the progress made by Working Group I on developing standards aimed at lowering the legal hurdles that micro, small and medium-sized enterprises encountered would make it possible to elaborate a draft legislative guide on key principles of a business registry and to adopt it at the Commission's fifty-first session in 2018.

72. His Government attached great importance to the work of Working Group II, which was currently drafting a document on enforcement of settlement agreements resulting from international commercial conciliation. During its sixty-seventh session the previous week in Vienna, the Working Group had also considered the draft convention prepared by the UNCITRAL secretariat on the topic and draft amendments to the UNCITRAL Model Law on International Commercial Conciliation. From a practical point of view, priority should be given to developing amendments to the Model Law.

73. His delegation welcomed the adoption at the fiftieth session of UNCITRAL of the Model Law on Electronic Transferable Records, and it agreed that Working Group IV should give priority consideration to the issue of identity management and trust services, including the initiative put forward by his delegation at the fifty-fifth session. The need to define a legal framework in that area had become particularly relevant, owing to the emergence and rapid development of decentralized data processing systems.

74. On Working Group V, his delegation was confident that compromise solutions would be found to meet the interests of all UNCITRAL members concerning recognition and enforcement of insolvency-related judgments, and with regard to facilitating the settlement of issues relating to the cross-border insolvency of multinational enterprise groups. It was also necessary to update the Legislative Guide on Insolvency Law. Moreover, in respect of the Guide to Enactment of the Model Law on Secured Transactions, his delegation encouraged Working Group VI to commence the preparation of a practice guide to that Model Law.

75. Concerning the Commission's decision to begin discussing the reform of the international system of investor-State dispute settlement and the secretariat's note on the topic, his delegation referred to the need for a careful, balanced approach, based on the objective results of an analysis of existing mechanisms and bearing in mind the unique aspects of investor-State relations and regional differences in their international legal settlement. Working Group III should focus on assessing the current state of the investor-State dispute settlement system and ways of enhancing existing instruments; it was crucial for its work to be transparent and consensus based.

76. The proposals to set up new bodies for investor-State dispute settlement, including judicial bodies, lacked substantive arguments; their implementation would undermine the existing system. It was not advisable to begin work in that area.

77. **Mr. Jaime Calderón** (El Salvador) said that the UNCITRAL working groups had made excellent progress in their respective fields of endeavour. His delegation welcomed, in particular, the Commission's decision to mandate Working Group III with the study of the reform of investor-State dispute settlement.

78. El Salvador also commended Working Groups IV and VI on their adoption of the Model Law on Electronic Transferable Records and its explanatory notes and the Guide to Enactment of the UNCITRAL Model Law on Secured Transactions, respectively, and it welcomed the Commission's decision to support the Uniform Rules for Forfaiting and to recommend their use, which would contribute to establishing a modern legal framework in the area, especially in developing countries.

79. Support for the productive sectors was an essential component of a country's economic development, and the work of Working Group IV (Electronic Commerce) was making a positive contribution to the development of El Salvador. The country's five-year development plan 2014-2019 had drawn on models of international electronic commercial practice and globalization as instruments helping El Salvador to move forward.

80. As a member of UNCITRAL, El Salvador had demonstrated its commitment to the Commission's mandate and had participated actively in meetings to prepare and adopt legal instruments that would help establish a legal framework to promote investment and trade for all countries, bearing in mind their different economic systems. In that context, it was important to stress that the Commission's work had been carried out with due regard for the principle of the sovereign equality of States.

81. The Commission's working method enabled countries like El Salvador to learn from practices used in the various legal systems worldwide and thereby to promote the harmonization of international trade law.

82. In line with its commitment to help disseminate information on the Commission's work and texts, El Salvador had appointed a national correspondent in 2017, who operated in the framework of the Case Law on UNCITRAL Texts (CLOUT).

83. His delegation shared the view that the texts adopted by UNCITRAL should reflect the Sustainable Development Goals.

84. **Mr. Thatong** (Thailand) said that, like many other countries, Thailand had greatly benefited from the work of UNCITRAL. The Legislative Guide on Secured Transactions, for example, had served as a reference for the drafting of its 2016 Secured Transactions Act. More recently, the Model Law on Public Procurement had facilitated the drafting of the Public Procurement and Supplies Management Act, which had come into force in August 2017. Thailand hoped to be able to accede to the Convention on Contracts for the International Sale of Goods in the near future.

85. Thailand was also studying the Model Law on Cross-Border Insolvency and the Rules on Transparency in Treaty-based Investor-State Arbitration with a view to exploring options for bringing its legislation further into line with international standards, and it thanked the UNCITRAL secretariat and UNCITRAL Regional Centre for Asia and the Pacific for providing valuable technical assistance in reading and applying those texts and in promoting a better understanding of international trade law.

86. Thailand welcomed the adoption of the Model Law on Electronic Transferable Records and its explanatory notes and the Guide to Enactment of the Model Law on Secured Transactions. Those documents would provide legal certainty for cross-border commercial activities worldwide.

87. Thailand welcomed the Commission's decision to entrust Working Group III with a mandate to address the possible reform of investor-State dispute settlement. That decision would facilitate the identification and consideration of concerns and allow member States to further deliberate on the desirability of such reform and possible ways forward. The Working Group must conduct its work in a transparent, consensus-based and inclusive manner, allowing both developed and developing countries to participate fully in the discussions. It should begin with a broad approach, looking not only at procedural but also substantive issues. Suitable topics might include the legal status of joint interpretations of investment treaties, the scope of policy space needed by the host States to protect their legitimate public interests, and the means of ensuring independence and impartiality of arbitrators.

88. As UNCITRAL celebrated its fiftieth anniversary, it was time for it to take stock of its past work and re-calibrate its goals and visions. To remain relevant and legitimate, the Commission must ensure that its work was consistent with the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda on Financing for Development, and it must step up its efforts to engage with wider stakeholders and work more closely with other United Nations agencies on mainstreaming the Sustainable Development Goals in their agendas and activities.

89. **Mr. Mpongosha** (South Africa) said that many areas of the Commission's work had the potential to greatly benefit developing countries. The work on micro, small and medium-sized enterprises, for example, could make valuable contributions to streamlining the process of establishing limited liability organizations in many States. The Commission's work on electronic commerce would help harmonize rules in an area of trade law that affected consumers in both developed and developing countries.

90. Noting the change of topic of Working Group III, his delegation welcomed the increased focus on investor-State dispute settlement. UNCITRAL had been one of the very few international forums to have consistently focused on the concerns raised on that topic by a number of States, including South Africa.

91. One aspect of the re-classification of Working Group III raised some concern. Work on investor-State dispute settlement had traditionally been undertaken by Working Group II. It therefore appeared that the mandate of Working Group II had been eroded to allow for the new mandate of Working Group III. His delegation hoped that, in practice, the new mandate of Working Group III would not adversely affect the work of Working Group II.

92. South Africa was encouraged by the efforts being made by the UNCITRAL secretariat to provide technical cooperation and assistance for the promotion and adoption of UNCITRAL texts. However, the first step to that end should be to broaden participation by member States, especially the developing and least developed countries, in the Commission's work, thereby encouraging wider approval and acceptance of

UNCITRAL texts. His delegation would welcome initiatives aimed at improving the resources and funding of UNCITRAL to that end.

93. **Mr. Fernández Valoni** (Argentina) said that the work of UNCITRAL on the harmonization and progressive development of trade law had helped to promote trade and investment through the elaboration of language and terms that ensured predictability for the business community. Argentina had ratified a number of UNCITRAL instruments and participated actively in its various projects and working groups.

94. His delegation welcomed the work completed by Working Group VI, which had led to the adoption of the Model Law on Secured Transactions and its Guide to Enactment, on the basis of which a number of States had undertaken reforms to modernize their domestic framework, reducing risk and lowering interest rates so as to facilitate greater investment in infrastructure.

95. Working Group I had made perceptible progress in the elaboration of a draft legislative guide on principles for simplifying the requirements and procedures for registering micro, small and medium-sized enterprises. That draft, together with the draft legislative guide relating to a simplified business entity, would be particularly useful for the creation and promotion of such businesses, since it reduced substantive and formal requirements. For its part, Argentina had recently introduced legislation to facilitate the registration of businesses.

96. His delegation was pleased that Working Group II was elaborating an instrument for the recognition of the effects and enforcement of agreements resulting from mediation and/or conciliation proceedings. The conclusion of such an instrument would make alternative dispute settlement mechanisms more effective, since it would give them a transnational effect similar to that of judgments. Argentina was also pleased that the Commission had mandated Working Group III to analyse the possible reform of the investor-State dispute settlement system to make it more coherent, predictable and legitimate. In that connection, he noted that the establishment of a legal framework which facilitated trade and investment must serve to promote sustainable development, a cornerstone of the rule of law.

97. **Mr. Varankov** (Belarus) said that his delegation welcomed the adoption of the Model Law on Electronic Transferable Records, which contributed to the transnational use of trade documents not only through the proposal of a unified neutral text for adoption by all legal systems but also through provisions regulating transnational aspects of electronically transferred records. The simplification of such procedures was an important step towards expanding trade and cooperation at the international level.

98. With regard to the work of Working Group IV, his delegation agreed that it would be useful to elaborate a document outlining contractual issues of cloud computing and attendant legal aspects; such a document would serve as a guide for national regulation of those questions and spur the development of the relevant technologies. Special attention should be given to cloud service risk distribution mechanisms and the access of government bodies to data.

99. Belarus acknowledged the importance of the expansion of the provisions of the UNCITRAL Model Law on Cross-Border Insolvency and its legislative guide on the subject. Cooperation and direct interaction between courts of various jurisdictions on the insolvency procedures of multinational enterprise groups would facilitate and promote the protection of creditors' interests.

100. Belarus acknowledged the utility of providing a special insolvency regime for micro, small and medium-sized enterprises to meet their needs and to avoid the application of excessively formal and strict norms of corporate law to such businesses.

101. His delegation supported the work of UNCITRAL to enhance existing trade dispute settlement mechanisms. Alternative mechanisms were becoming increasingly relevant for settling investment disputes, with the participation of an impartial, neutral third party. However, the development of such mechanisms was hindered by the fact that settlements arrived at under those procedures were impossible to enforce abroad through simplified procedures. Belarus noted, in that regard, the importance of developing a document on enforcement of international settlement agreements resulting from conciliation procedures, currently under consideration in Working Group II. In addressing key controversial issues as part of elaborating specific language for that document, it was important to take account of best practices in implementing existing UNCITRAL documents. His delegation supported the development of draft legislative guides on the enforcement of international settlement agreements resulting from conciliation.

102. The reform of investor-State dispute settlement should remain a priority issue on the Commission's agenda. The round-table discussions held during the UNCITRAL Congress had clearly demonstrated the relevance of the issue as well as the broad range of aspects requiring discussion and coordination.

Defining the specific parameters for the reform would require reaching an agreement on several aspects relating to the format and the procedures of the activity of the relevant arbitration or judicial body, defining its scope of jurisdiction, deciding on the existence and format of an appeal authority, choosing rules and other applicable documents, and selecting and appointing arbiters. Work on those issues would result in a document with great practical value.

103. His delegation commended the work of national correspondents and the UNCITRAL secretariat in maintaining the specialized online cloud database, a convenient and effective instrument for exchanging best practices and sharing knowledge.

104. Belarus stressed the important role of UNCITRAL in promoting the rule of law at the national and international levels, which was facilitated by its work on settling national and regional disputes, enforcing the international legal obligations of international parties, elaborating instruments to regulate international trade and accumulating experiences and best practices.

105. The success of UNCITRAL and of its legal standards was largely due to its depoliticized nature and the high level of its expertise, something which should serve as an example for other multilateral forums.

106. **Mr. Zappalà** (Italy) said that Italy attached great importance to the work of the Commission and its working groups. It regarded UNCITRAL as a forum for identifying mutually agreed tools to improve the rules and regulations in respect of international trade law and to assist member States in adapting their laws to the changing needs of the times, including in connection with new technologies. It emphasized the expert nature and quality of the discussions in the working groups and the effective way in which meetings were held, both in Vienna and New York.

107. His delegation welcomed the results of the fiftieth session of UNCITRAL. The Commission had shown that, notwithstanding persistent differences in legal systems and domestic agendas, member States could work together to reach common solutions and demonstrate the value that they all attached to the role of the rule of law in favouring international trade and sustainable development.

108. Italy was confident that, as in the past, UNCITRAL would continue to achieve positive results in addressing challenging topics and that it would make every effort to reach shared solutions and strengthen the participation of all member States from all regions of the world.

109. **Mr. Smith** (United Kingdom) said that over the past 50 years, UNCITRAL had made great strides in advancing the progressive modernization and harmonization of the rules of international trade law.

110. The United Kingdom continued to support Working Group I and commended the expert group for arriving at a text for the Working Group to consider for adoption by the Commission in 2018. Moreover, Working Group II had progressed well in finding compromises between those States that wanted a convention and those that were sceptical. He hoped that the proposed session in February 2018 in New York would be able to resolve outstanding issues. His delegation looked forward to further discussion of investor-State dispute settlement reform, once the scoping work was completed.

111. Concerning the work of Working Group IV, the United Kingdom continued to favour the inclusion of verified electronic identity and strong authentication with regard to online digital transactions supporting international trade. Electronic identity continued to be a significant concern internationally, a key element being the creation of interoperability and trust frameworks. In the European Union, a number of provisions required the financial sector to adopt strong authentication and verification of identity measures, and the European Union was also pushing for legislation to create a single point of access for business services to be made available across the Union, all of which relied upon electronic identity for their delivery in the proposed single digital gateway.

112. Having submitted a proposal regarding outcome-based standards and interoperability of digital identity to the Working Group, and having collaborated with other European Union member States on a separate proposal describing legal issues relating to electronic identity management and trust services, the United Kingdom looked forward to the electronic identity and trust services expert group meeting, to be held in Vienna in November, to the fifty-sixth session of Working Group IV, to be held in April 2018, and to further consideration of electronic identity and trust services based on the outcomes of the November meeting.

113. Working Group V had made good progress on the development of legislative provisions for multinational enterprise group insolvency and model law provisions for the recognition and enforcement of insolvency-related judgments. It was to be hoped that

both texts could be agreed at the forthcoming meetings in Vienna and New York.

114. At its fifty-first session, Working Group V had also discussed the topic of insolvency of micro, small and medium-sized enterprises. In 2014, the Commission had added that topic to the mandate, and it had been suggested in preliminary discussions in New York that the UNCITRAL Legislative Guide on Insolvency Law could provide an appropriate framework for structuring work on the topic; the United Kingdom looked forward to that work progressing at future sessions.

115. The United Kingdom was pleased that the Guide to Enactment of the Model Law on Secured Transactions had been finalized and adopted at the fiftieth session of UNCITRAL.

116. **Mr. Gorostegui Obanoz** (Chile) said that his country had always supported the Commission's work on the understanding that, based on equality, equity, shared interest, and respect for and promotion of the rule of law, it contributed to better coherence and creativity in the unification and harmonization of international trade law, bearing in mind the different realities, traditions and approaches of States. Chile had regularly put forward ideas aimed at ensuring that the work of UNCITRAL was consistent with the 2030 Agenda for Sustainable Development, the elaboration of creative legislation on international trade law and the introduction and dissemination of its benefits at the national level.

117. Chile endorsed the Commission's work aimed at the preparation of norms on transparency and the adoption of objective criteria designed to help combat corruption, which was a challenge to the advancement of trade.

118. His delegation appreciated the proposals made for the reform of investor-State dispute settlement. With regard to the mandate to identify possible areas for a review of the current system, his delegation favoured an inclusive dialogue that took account of the sensitivities of all States on the question. It also reiterated the importance of working in the framework of a multilateral organization responsible for reaching a consensus on a possible reform. Accordingly, it supported the flexible content of the Commission's mandate, which would make it possible to move ahead with the work cautiously and responsibly.

119. His delegation endorsed the proposals contained in the documents on a model law on electronic transferable records and its explanatory notes and the Guide to Enactment, that would strengthen the work of UNCITRAL on the basis of flexible, targeted legislation, towards modernization that helped bring regional and global realities better into line with the multilateral system of the United Nations.

120. **Mr. Bawazir** (Indonesia) welcomed the Commission's role in furthering the progressive harmonization and unification of the private law of international trade in the interest of all people, particularly those of the developing countries. His delegation underscored the importance of the contribution of the rule of law to the achievement of the Sustainable Development Goals.

121. Indonesia welcomed the adoption of the Model Law on Electronic Transferable Records and its explanatory notes, and the adoption of the Guide to Enactment. The Model Law had provided guidance to Indonesia in designing its national legislation on electronic transactions.

122. Indonesia strongly supported the work of Working Group I to prepare a legislative guide aimed at reducing the legal obstacles encountered by micro, small and medium-sized enterprises. The legislative guide should be a flexible text that would enable States to simplify and facilitate the activities of such enterprises and at the same give them the opportunity to compete and grow. That was particularly important for Indonesia, where micro, small and medium-sized enterprises accounted for 99 per cent of all businesses and nearly 60 per cent of GDP. His delegation also appreciated the initial work that had been done on the topic of insolvency of micro, small and medium-sized enterprises.

123. His delegation took note that the work of Working Group II was already at an advanced stage. It appreciated the options chosen by that Working Group concerning the draft provisions on enforcement of international commercial settlement agreements resulting from conciliation, without prejudice to the instrument's final form.

124. As for Working Group III, Indonesia welcomed the Commission's cautious approach to the topic of investor-State dispute settlement. The deliberations should always be based on the need to strike a balance between protecting investors in the host State and providing room for the host State to assert and advance its national interests.

125. Indonesia stressed the importance of technical cooperation and assistance to developing countries, specifically in matters at the national level relating to the adaptation and use of texts adopted by the Commission, and encouraged the secretariat to

continue to provide such assistance as broadly as possible and to improve its outreach, particularly to the developing countries.

126. Indonesia expressed its continuous support for UNCITRAL in its work and looked forward to further harmonization and modernization of trade law, in particular in its region.

127. **Mr. Aldoseri** (Bahrain) said that his country had always been a strong supporter of the work of UNCITRAL. His delegation drew attention to the Commission's approval of the proposal by Bahrain to establish an UNCITRAL regional centre for the Middle East and North Africa that would provide technical assistance to States on the adoption, use and understanding of UNCITRAL texts; to work with international and regional organizations on trade law reform projects in the region; to coordinate communication between States in the region and UNCITRAL and its secretariat; and to build and participate in regional partnerships and alliances, including with other United Nations bodies. Bahrain welcomed the progress made and looked forward to finalizing that process.

128. **Ms. Cerrato** (Honduras) said that her delegation greatly appreciated the substantive work of UNCITRAL and had participated actively in the Commission since 2008. UNCITRAL had undertaken important work on traditional arbitration and conciliation; moreover, its work on online dispute resolution had assumed particular significance in the context of globalization. It was expected that Honduras would soon incorporate the e United Nations Convention on Transparency in Treaty-based Investor-State Arbitration, the Model Law on Electronic Transferable Records and similar instruments into its domestic legal system.

129. In its efforts to improve its production infrastructure, Honduras had launched a national economic development programme through which it aimed to double private investment and employment by 2020 in strategic sectors of the economy. To that end, it was taking steps to accede to the aforementioned instruments so as to make Honduras even more attractive for foreign investment and thereby enable it to meet the Sustainable Development Goals.

130. **Mr. Simonoff** (United States of America) said that his Government welcomed the adoption, after years of discussion, of the Model Law on Electronic Transferable Records, and it encouraged States to consider implementing the Model Law if their domestic law did not already provide an adequate framework enabling electronic equivalents of paper-based transferable documents or instruments to be used in commerce.

131. His delegation was pleased that UNCITRAL had adopted the Guide to Enactment of the Model Law on Secured Transactions, which would assist States in using the Model Law to reform their domestic legal regime in ways that would facilitate access to credit, in particular for micro, small and medium-sized enterprises.

132. His delegation welcomed the Commission's plan to elaborate a convention that could help to promote the use of conciliation internationally in the same way that the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention) had helped to promote the use of arbitration. The approach endorsed at the fiftieth session would ensure that the convention covered not only enforcement of conciliated settlements but also the most relevant aspect of recognition of those settlements, namely the use of settlements in defence against a claim.

133. His Government was also encouraged to see UNCITRAL continue to discuss various ways of improving its working methods and becoming even more efficient. At the fiftieth session, several valuable ideas had been discussed, such as structuring the agenda to permit States to deliberate on the overall work programme before the session focused on individual topics and relying more on written reports in order to improve the utilization of conference time.

134. In 2016, his delegation had informed the Commission that the United States had taken steps towards becoming party to three conventions negotiated at UNCITRAL by transmitting them to the United States Senate for approval. Subsequently, in December 2016, the United Nations Convention on Transparency in Treaty-based Investor-State Arbitration had also been transmitted to the Senate for approval.

135. **Mr. Heumann** (Israel) said that his delegation noted with appreciation the discussions in Working Group I regarding the creation of an enabling legal environment for small and medium-sized enterprises, and it looked forward to participating in the Working Group's upcoming deliberations. That was also the case with respect to the work of Working Group VI on a practice guide for secured transactions.

136. Concerning Working Group II, Israel endorsed the decision to allow work on an international convention to continue. Such an instrument would not only promote the use of conciliation when cross-border

transaction disputes arose, but would also provide member States with the guidance needed to deal with such agreements properly. His delegation thanked the participants of the Working Group for their willingness to compromise, which enabled the Working Group to move ahead.

137. Israel looked forward to participating in the newly created Working Group III (Investor-State Dispute Settlement Reform). However, its support for continued work in that area did not necessarily imply support for the idea of a permanent court or an appellate mechanism, nor did it mean that Israel would join a convention on that issue if such an instrument were to be finalized.

138. Working Group IV had also embarked on a new path in the fields of identity management and cloud computing. Those matters were crucial for the digital economy, and UNCITRAL should continue to position itself in those areas. Noting that the Working Group would be developing a "checklist" for cloud service contracts, his delegation believed that that should be seen as a first step and that the Working Group should eventually broaden its work in that area.

139. Israel was currently in the final stages of adopting the UNCITRAL Model Law on Cross-Border Insolvency. His delegation was pleased about the progress made in the meetings on the current projects being discussed in Working Group V and looked forward to continued involvement in its work.

140. To build on past success, there was room for continued innovation and greater efficiency in UNCITRAL. Some positive changes had taken place in the past few years, and Israel encouraged other UNCITRAL members and the secretariat to remain engaged on that path, based on constructive dialogue, with the aim of enhancing the participation of member States in the work of UNCITRAL and, in particular, in the annual meetings of the Commission, which Israel viewed as key in the decision-making process of UNCITRAL.

141. **Mr. Ichatchoumo** (Cameroon) welcomed the progress made by the various UNCITRAL working groups in carrying out their mandates. Cameroon was particularly pleased that UNCITRAL had adopted the Model Law on Secured Transactions, its Notes on Organizing Arbitral Proceedings and its Technical Notes on Online Dispute Resolution. The use of texts elaborated by the Commission would facilitate the unification and harmonization of international trade law, hence the need for States to consider signing and ratifying the UNCITRAL conventions, to adopt laws based on the model laws and to promote the use of other texts emanating from that work.

142. Cameroon welcomed those reforms; as a member of the Organization for the Harmonization of Business Law in Africa (OHADA), it planned to encourage that subregional body to make use of those texts. His delegation commended the Commission's initiatives aimed at coordinating the work of international and regional organizations active in the area of trade law, strengthening cooperation between them and promoting the rule of law at the national and international levels. He highlighted the importance of the Commission's work in the field of technical cooperation and assistance and the reform of international law.

143. His delegation welcomed the General Assembly's decision to grant observer status to the International Chamber of Commerce, which would provide the business world with additional opportunities to contribute to achievement of the goals of the Organization and implementation of its programmes.

144. With regard to the Technical Notes on Online Dispute Resolution, although progress had been made in elaborating regulations in that area, Cameroon reiterated its concern regarding the digital inequality between States of the North and those of the South. Reform would be less relevant if it was not accompanied by technical and financial assistance to those countries that had difficulties adopting new regulations.

145. Cameroon reaffirmed its proposal to host a regional UNCITRAL centre for Africa to disseminate information on, heighten awareness of and promote interest in the Commission's work, and to facilitate the adoption, use and understanding of UNCITRAL texts in Africa.

146. **Mr. Bentaja** (Morocco) commended UNCITRAL for the work carried out over the past 50 years in developing and promoting international trade law. His delegation welcomed the adoption of the Model Law on Secured Transactions and the Model Law on Electronic Transferable Records, two areas of crucial importance for the development of international trade. It commended the work currently under way on insolvency of micro, small and medium-sized enterprises and on the reform of the investor-State dispute settlement mechanism to protect investors in one country from expropriation or losses in another country.

147. Many of the issues under discussion in UNCITRAL had also been addressed in other

international bodies. For example, the World Trade Organization had been considering the question of investment since 1999, and it had adopted a decision on electronic trade in 1998. Thus, cooperation between UNCITRAL and the World Trade Organization on those topics was important, especially in the light of efforts to reform the investor-State dispute settlement system. The synergies between UNCITRAL and the World Trade Organization would not fail to have an enriching effect. If forward-looking cooperation did not begin without delay, a conflict of jurisdiction might arise later, and decisions adopted by UNCITRAL, whether on electronic transactions, on other areas of international trade or on the environment, might be rejected by the World Trade Organization. Those potential problems must be avoided.

148. **Ms. Murali** (Observer for the International Chamber of Commerce) said that the agenda item on the work of UNCITRAL was of particular importance to the International Chamber of Commerce. Since 1946, when it had been granted general consultative status with the Economic and Social Council, the Chamber had actively participated in numerous meetings, conferences and events to contribute to capacity-building on trade, investment and vital global issues, with a focus on supporting the developing States.

149. To meet ever more complex and difficult challenges, including climate change, and to attain the Sustainable Development Goals, inclusive, multilateral and multi-stakeholder engagement was critical. For that reason, UNCITRAL was a vital partner of the Chamber.

150. Historically, the International Chamber of Commerce had contributed to the work of UNCITRAL through the numerous international trade law-related instruments it had drafted, such as Incoterms 2010, Uniform Customs and Practice for Documentary Credits, the Rules on International Standby Practices and the Uniform Rules for Demand Guarantees, which had been recommended by UNCITRAL for use or adoption.

151. The Chamber was pleased that, at its forty-ninth session, the Commission had adopted a decision endorsing the Chamber's Uniform Rules for Forfaiting. That endorsement would facilitate, without recourse, the financing of receivables arising from international trade transactions by providing a new set of rules applicable to forfaiting transactions. The Commission had noted that the Uniform Rules for Forfaiting complemented a number of international trade law instruments, including the United Nations Convention on the Assignment of Receivables in International Trade and the UNCITRAL Model Law on Secured Transactions.

152. UNCITRAL had reached a milestone in 2017 in celebrating its fiftieth anniversary. The International Chamber of Commerce was committed to enhancing its collaborative work with UNCITRAL and all stakeholders to maximize the potential of the multi-stakeholder platform that UNCITRAL provided in promoting open international trade and investment for economic development and prosperity around the world.

The meeting rose at 1 p.m.